

Fiscal Year 2014 Second Quarter Results Presentation

Supplementary Materials

GMO INTERNET

STOCK CODE 9449

August 1, 2014

116 Group Companies (82 consolidated, 27 non-consolidated, 2 equity method affiliates, 5 non-equity method affiliates)

GMO Payment Gateway, Inc.
(Western Japan Sales Office)

GMO Solution Partner, Inc.
(Osaka Sales Office)

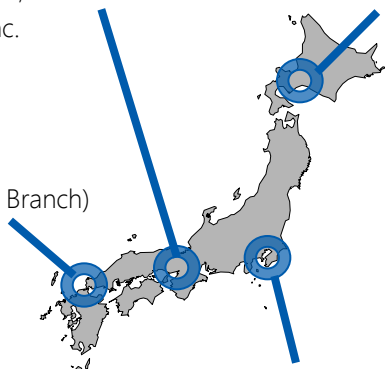
GMO CLOUD West, Inc.

GMO DigiRock, Inc.

GMO DIGITAL Lab, Inc.
CMT, Inc.

GMO Business Support, Inc.

GMO Papebo, Inc. (Fukuoka Branch)



GlobalSign China
GMO CLICK HONG KONG LTD
GMO GameCenter Korea, Inc.

(US)
GMO CLOUD AMERICA, Inc.
GMO GlobalSign, Inc.
GMO GameCenter USA, Inc.

(UK)
GMO GlobalSign Ltd.
GMO CLICK UK LTD
(Belgium)
GlobalSign NV
(Certificate Authority)

(Vietnam)
GMO RunSystem Corporation
GMO Vietnam Lab Center Co. Ltd.

(Singapore)
GMO Internet Pte. Ltd.
GMO CLOUD Pte. Ltd.
GMO GlobalSign Pte. Ltd.
GMO Payment Gateway Pte. Ltd.



Internet Infrastructure

- ★ GMO Internet, Inc. (TSE:9449)
- ★ GMO CLOUD, Inc. (TSE:3788)
- ★ GMO Papebo Inc. (JASDAQ: 3633)
- ★ GMO Payment Gateway, Inc. (TSE:3769)
- GlobalSign K.K.
- GMO Fast Translation, Inc.
- GMO MAKESHOP Co. Ltd.
- GMO Commerce, Inc.
- GMO Epsilon, Inc.
- Social Appli Payment Service, Inc
- GMO Payment Services, Inc.
- GMO Registry, Inc.
- GMO System Consulting, Inc.
- GMO Creators Network, Inc.
- (and other companies)

Online Advertising & Media

- ★ GMO AD Partners, Inc. (JASDAQ:4784)
- GMO NIKKO, Inc.
- GMO Mobile, Inc.
- GMO Research, Inc.
- GMO Searchteria, Inc.
- GMO Media, Inc.
- GMO Solution Partner, Inc.
- JWord, Inc.
- GMO TECH, Inc.
- Booklog, Inc.
- GMO Innovators, Inc.
- GMO Kumapon, Inc.
- (and other companies)

Internet Securities

- GMO CLICK Holdings, Inc.
- GMO CLICK Securities, Inc.
- GMO CLICK Investment, Inc.
- ★ FX PRIME by GMO Corporation (JASDAQ: 8711)




Incubation

GMO Venture Partners, Inc.

Mobile Entertainment


GMO GameCenter, Inc.
GMO GamePot, Inc.
REGXE, Inc.
(and other companies)

★ Listed Company

- | | | | |
|------|--|--|---|
| 4/1 | GMO PAYMENT GATEWAY | Osaka City adopts GMO-PG service for water utilities credit card payments | |
| 4/7 | GMO REGISTRY | .tokyo opens for registration exclusively to trademark holders. |  |
| 4/8 | GMO PAYMENT GATEWAY | Wishpond, used by over 80,000 stores worldwide, launched in Japan by GMO-PG | |
| 4/10 | MakeShop [®] by GMO | MakeShop Omni-channel launches for seamless connection of multiple channels | |
| 4/14 | GMO PAYMENT GATEWAY | GMO-PG to build and operate VisaBusinessPay, a B2B credit card payment service for Visa | |
| 4/15 | GMO PAYMENT GATEWAY | Mie Prefecture adopts GMO-PG service for automobile tax payments by credit card | |
| 4/22 | GMO PAYMENT GATEWAY | GMO-PG launches GMO Pallet smartphone payment service | |
| 4/22 | GMO INTERNET | GMO AppsCloud launches new OpenStack based cloud service. | |
| 4/28 | GMO TECH | GMO Social Media Support launches to provide all in social media solution from marketing through to analytics. | |
| 5/2 | GMO INTERNET | Smart Soccer reaches 1 million downloads |  |
| 5/9 | GMO MEDIA | Fashion app, Coordisnap reaches 1 million downloads. |  |
| 5/23 | GMO RESEARCH | DIY research system, GMO MarketObserver launches | |


5/29  GMO Epsilon launches Epsilon multi-currency credit card payment service.


5/30  GMO CLICK provides NISA accounts.

6/3  GMO-PG GlobalPayment launches in Thailand.

6/5  GMO Registry launches .yokohama, Japan's third city TLD.




6/6  GMO Commerce takes over Mobile CRM service, katy.


6/12  Dedicated hosting plan launched for stable operation of large-scale ecommerce site.



6/19  GlobalSign wins Online Trust Alliance award for fourth consecutive year.


6/26  Customer earnings up despite lull in market

6/26  GMO NIKKO launches GMOMARKETINGSUITEforSocialMedia, Japan's first ad platform tool using TwitterAdsAPI






6/27  JWord racing game (played by over 300,000 users on iOS) launches on DoCoMo platform dGame



7/3  MakeShop connects with Cloud accounting software, free

7/23  10,000 .tokyo domain names registered in first 24 hours of General Availability.

Listed Group Companies (3 mths to Jun)

| (JPY millions) |  |  |  |  |  |
|------------------|---|---|--|---|---|
| Stock Code | TSE Mothers (3788) | TSE 1st Section (3769) | JASDAQ Standard (4784) | JASDAQ Standard (3633) | JASDAQ Standard (8711) |
| Fiscal Term | Q2 FYE 12/2014 | Q3 FYE 9/2014 | Q2 FYE 12/2014 | Q2 FYE 12/2014 | Q1 FYE 3/2014 |
| Net Sales | 2,656 | 1,825 | 5,512 | 1,112 | 411 |
| Operating Profit | 247 | 675 | 162 | 159 | -107 |
| Ordinary Profit | 281 | 684 | 187 | 185 | -108 |
| Net Profit | 177 | 407 | 104 | 96 | -110 |

*Compiled from each companies' quarterly P/L statements

Revenue Breakdown by Segment

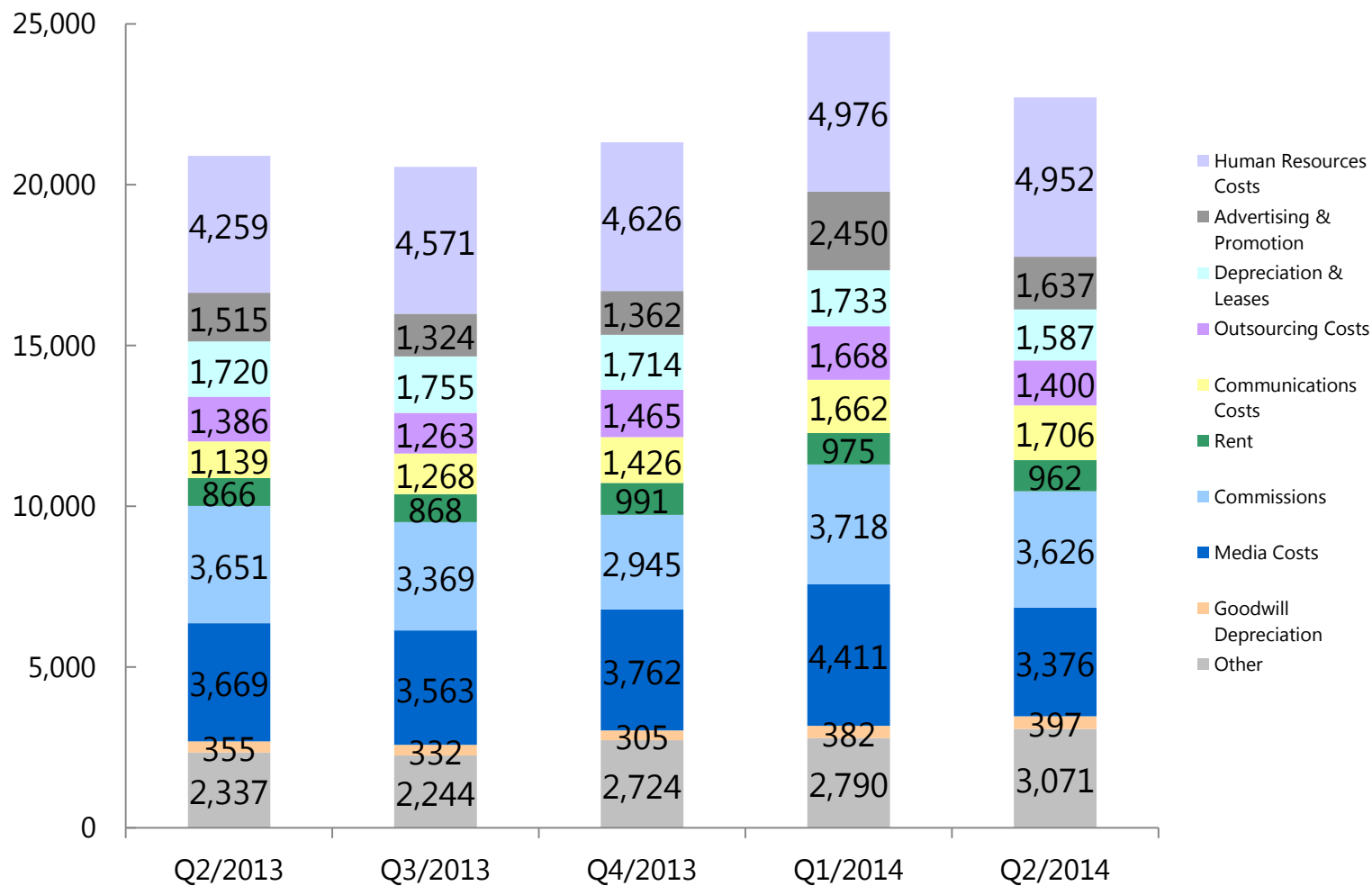
(JPY millions)

| | Q2/2013 | Q3/2013 | Q4/2013 | Q1/2014 | Q2/2014 |
|--|---------------|---------------|---------------|---------------|---------------|
| ◆Internet Infrastructure | | | | | |
| Internet Provider | 1,112 | 1,256 | 1,450 | 1,629 | 1,857 |
| Domain | 1,184 | 1,106 | 1,186 | 1,428 | 1,421 |
| Cloud & Hosting | 3,465 | 3,427 | 3,450 | 3,422 | 3,378 |
| Ecommerce solutions | 749 | 774 | 853 | 1,192 | 1,123 |
| Security | 658 | 674 | 716 | 803 | 901 |
| Payment processing | 1,426 | 1,519 | 1,601 | 1,797 | 1,774 |
| Other | 838 | 980 | 693 | 966 | 976 |
| Segment Sub-total | 9,436 | 9,738 | 9,950 | 11,240 | 11,434 |
| ◆Online Advertising & Media | | | | | |
| Internet Media | 2,904 | 2,838 | 2,740 | 3,029 | 3,023 |
| Online Advertising | 4,609 | 4,382 | 4,744 | 5,509 | 4,696 |
| Other | 461 | 432 | 558 | 569 | 514 |
| Segment Sub-total | 7,975 | 7,653 | 8,043 | 9,107 | 8,234 |
| ◆Internet Securities | | | | | |
| Internet Securities | 5,685 | 5,162 | 5,054 | 5,553 | 4,792 |
| Segment Sub-total | 5,685 | 5,162 | 5,054 | 5,553 | 4,792 |
| ◆Mobile Entertainment | | | | | |
| Mobile Entertainment | 1,231 | 1,147 | 1,113 | 1,710 | 1,659 |
| Segment Sub-total | 1,231 | 1,147 | 1,113 | 1,710 | 1,659 |
| ◆Incubation | | | | | |
| Incubation | 42 | 61 | 5 | 16 | 4 |
| Segment Sub-total | 42 | 61 | 5 | 16 | 4 |
| Internal Transactions | (499) | (454) | (456) | (602) | (698) |
| Consolidated Net Sales | 23,873 | 23,310 | 23,710 | 27,026 | 25,427 |

*Segmentation revised effective Q1 2014. Historical net sales amounts are presented based on new segmentation.

Cost Composition (Consolidated)

(JPY millions)

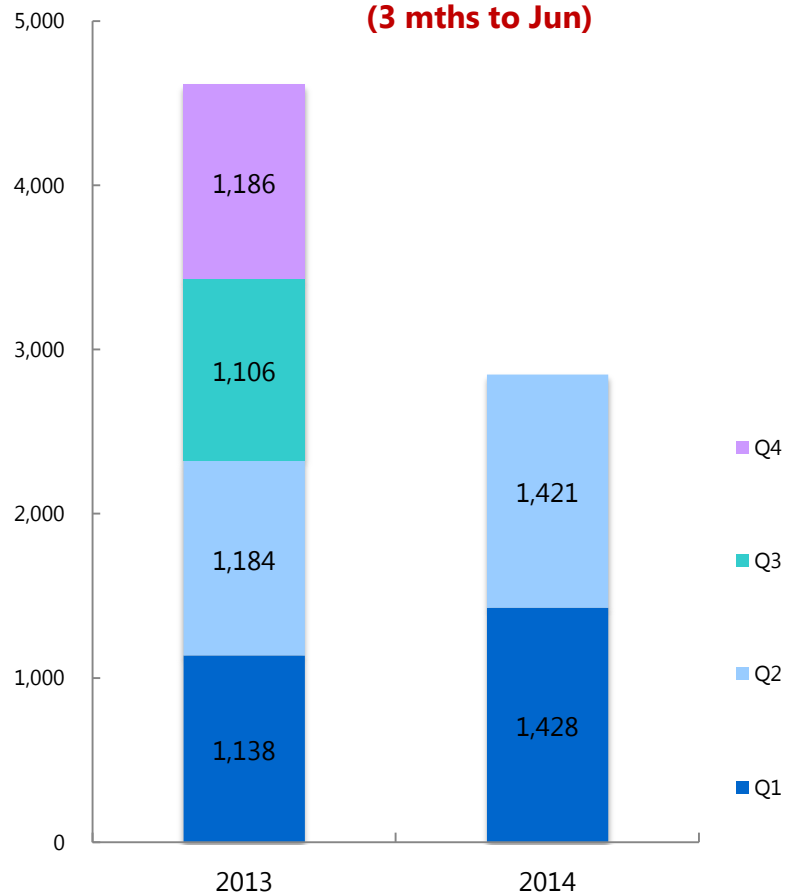


*Depreciation of business rights, previously included in depreciation and leases is now presented under goodwill depreciation

Revenue

(JPY millions)

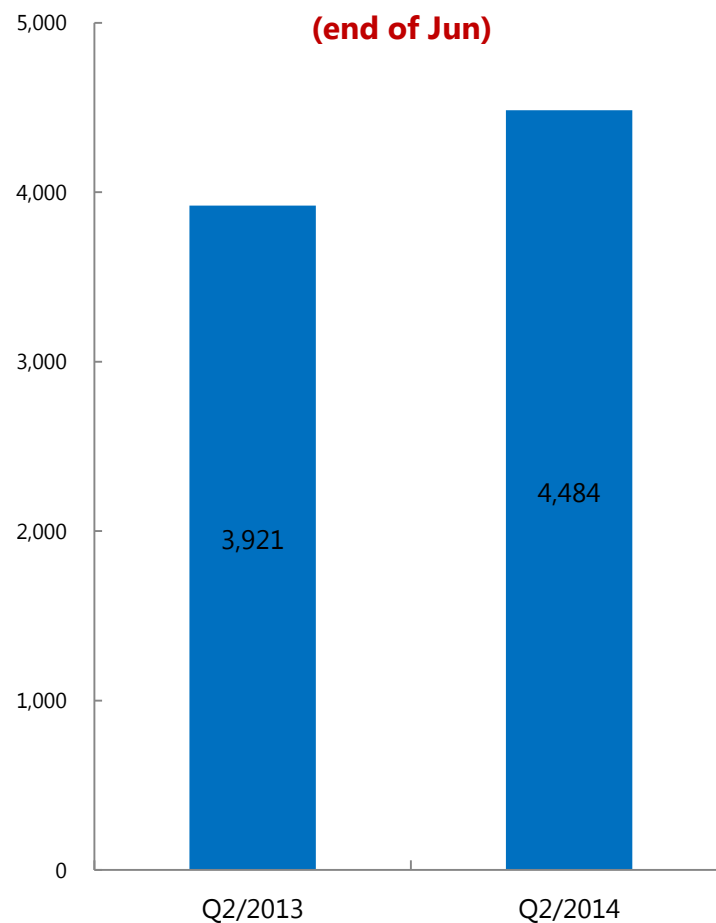
+20.0%
(3 mths to Jun)



Registrations

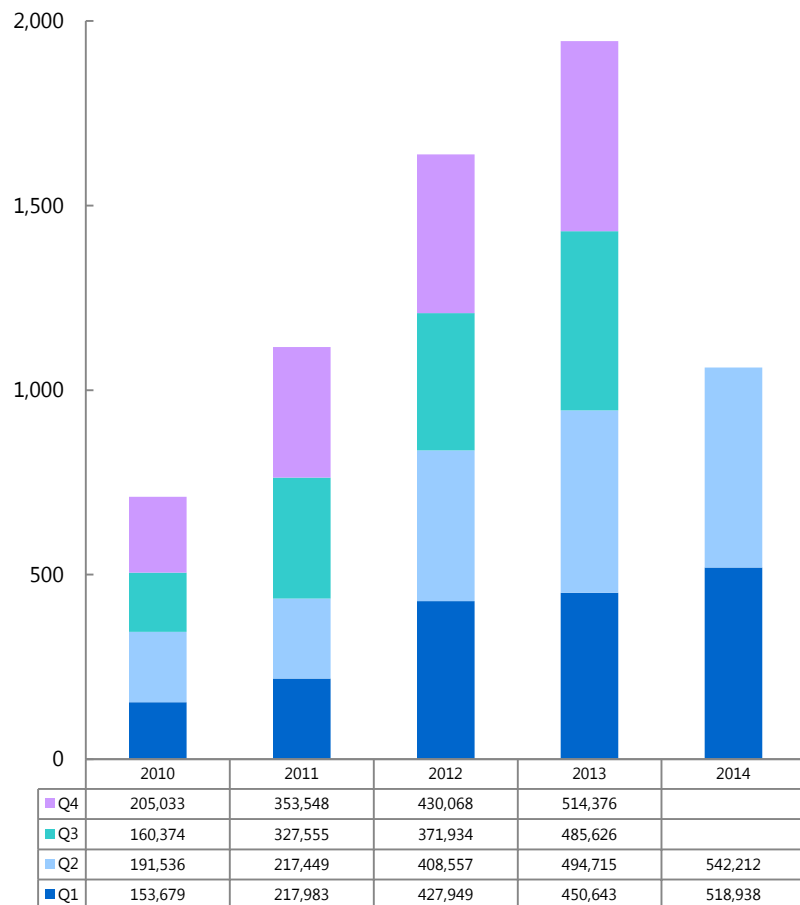
(1000s)

+14.3%
(end of Jun)

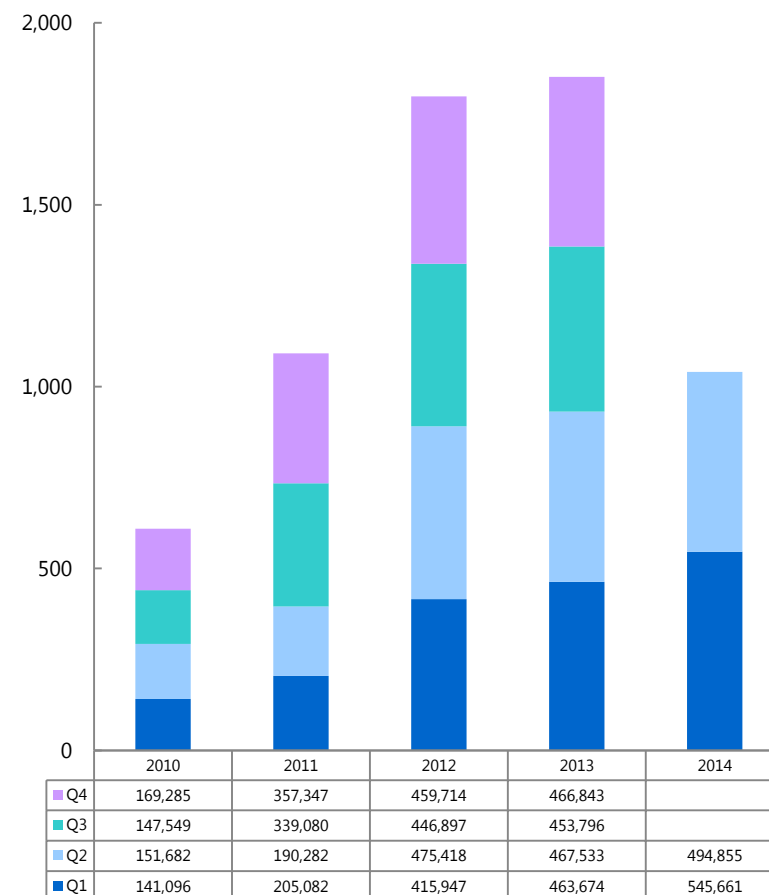


New Domains & Domain Renewals

New Domain Registrations



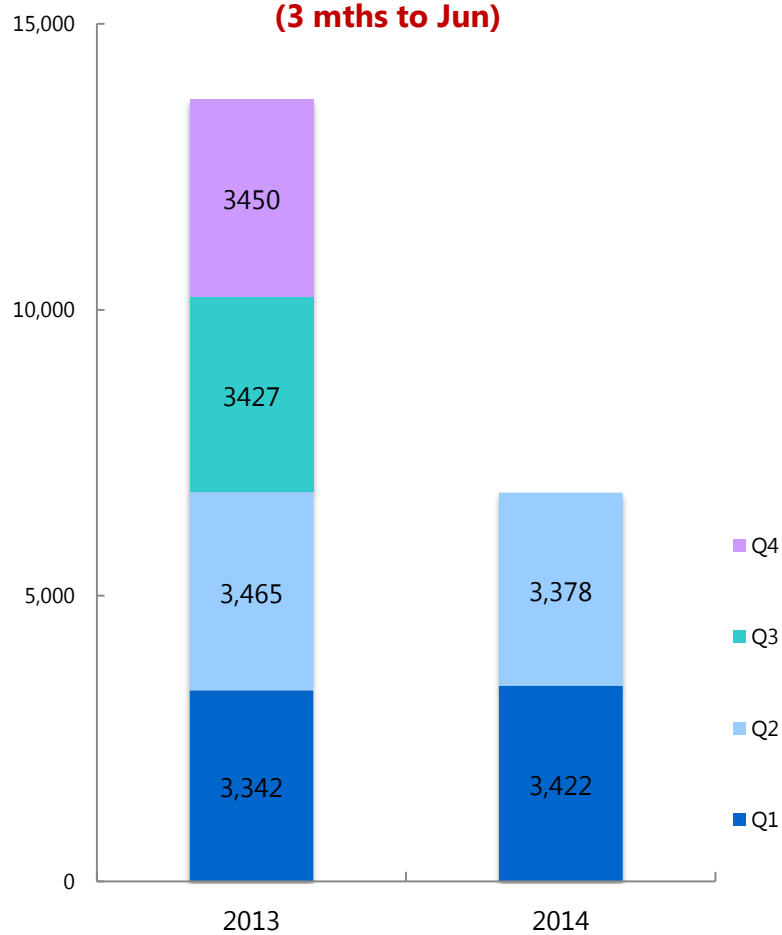
Renewals



Revenue

(JPY millions)

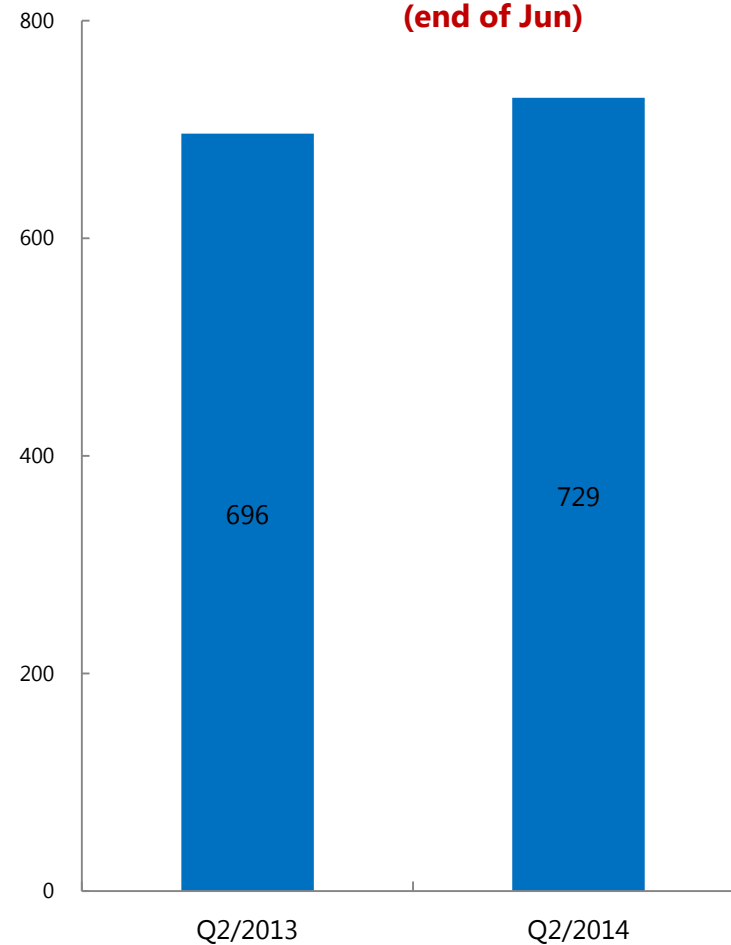
-2.5%
(3 mths to Jun)



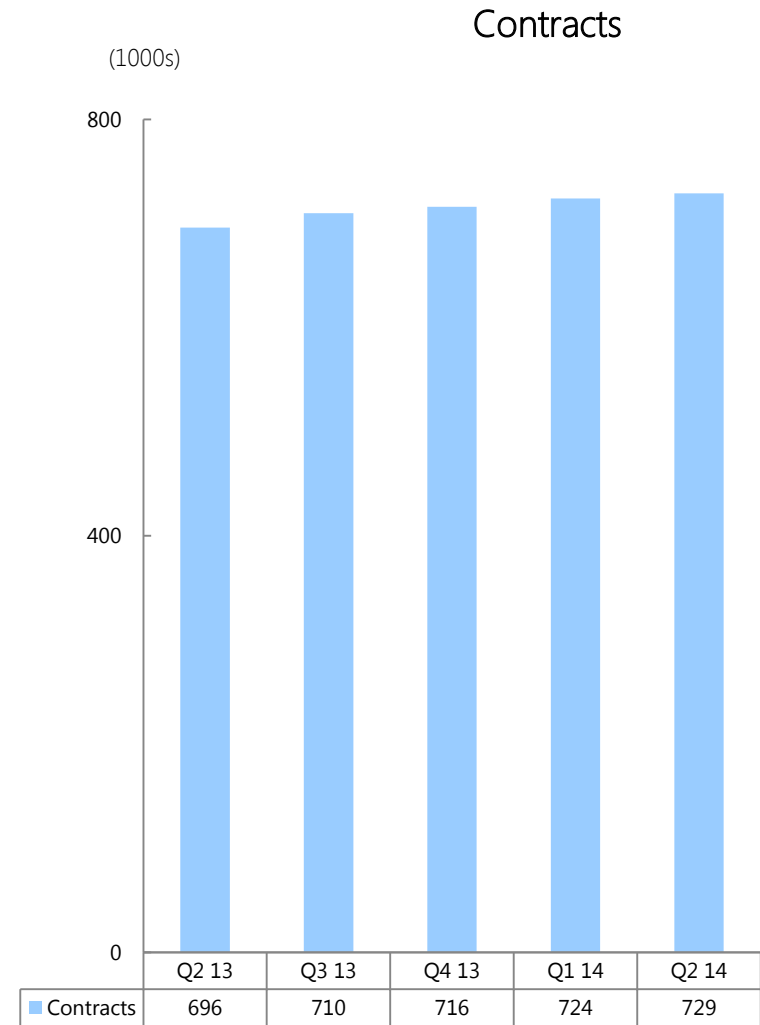
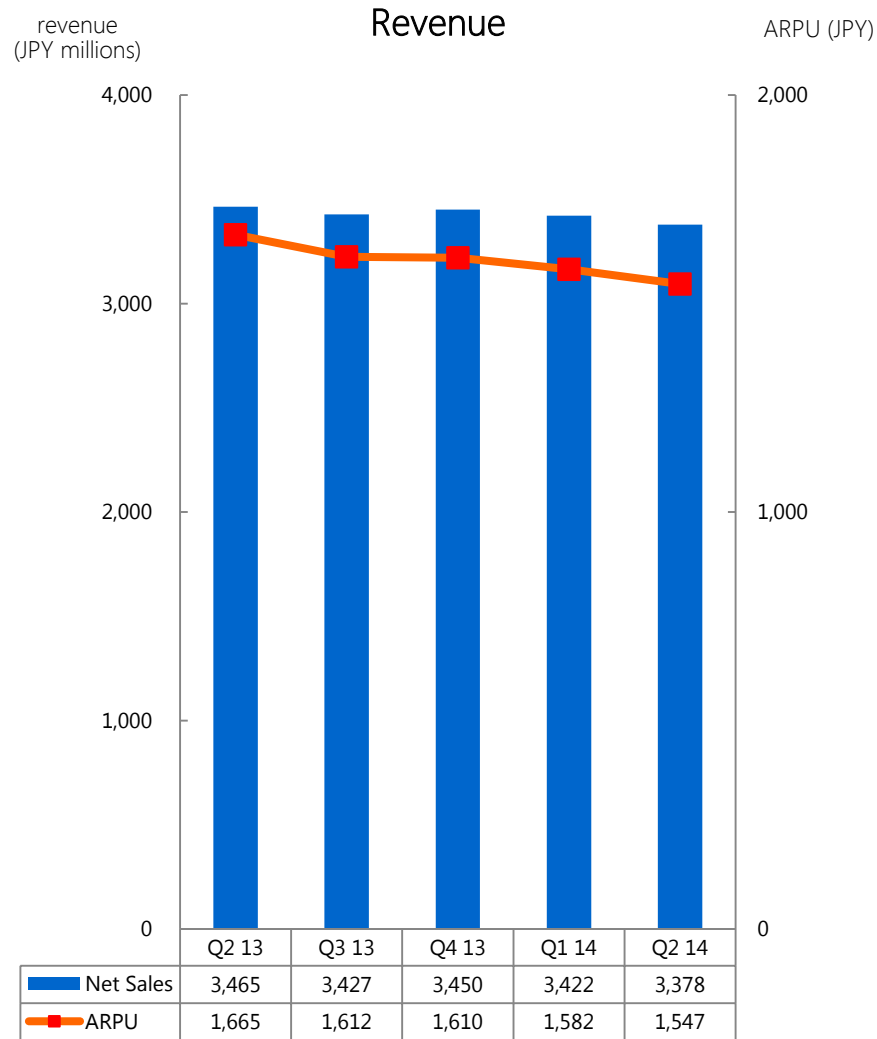
Contracts

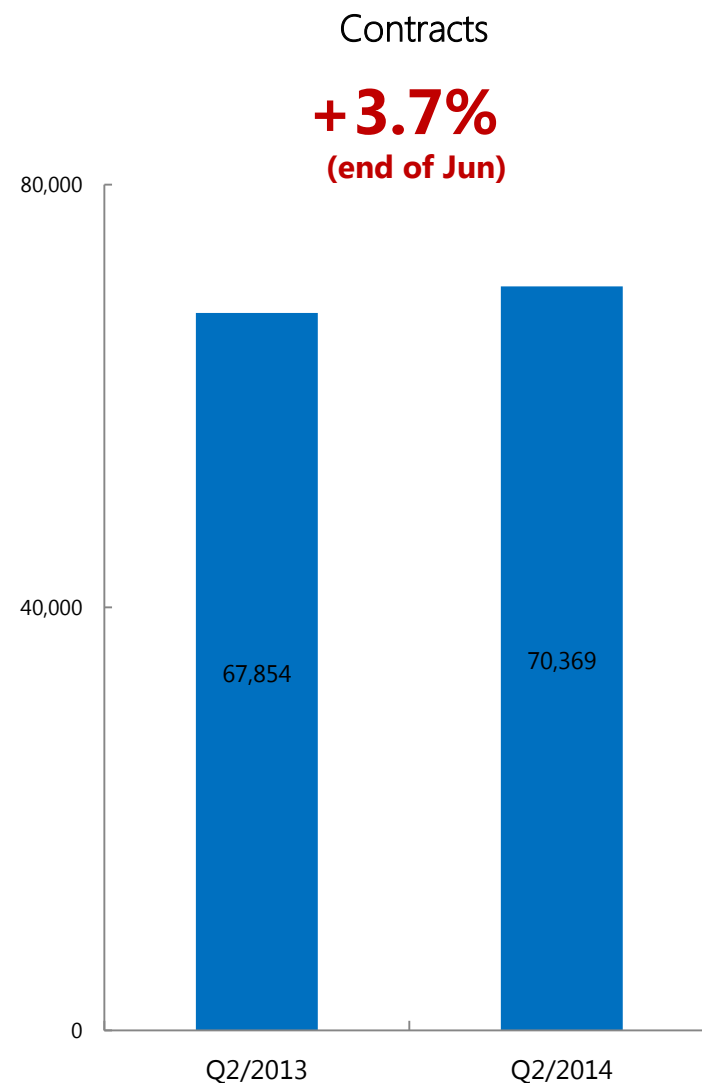
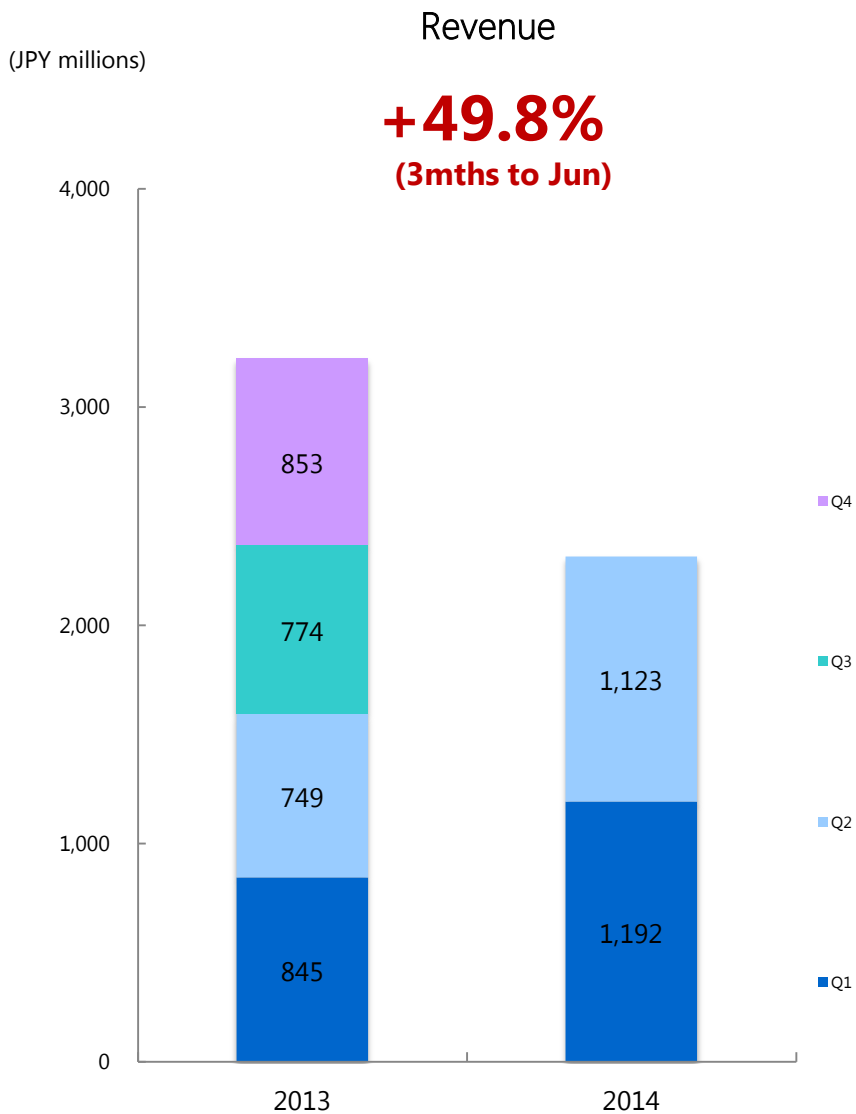
(1000s)

+4.7%
(end of Jun)



Hosting & Cloud – Key Indicators





Ecommerce Business Parameters

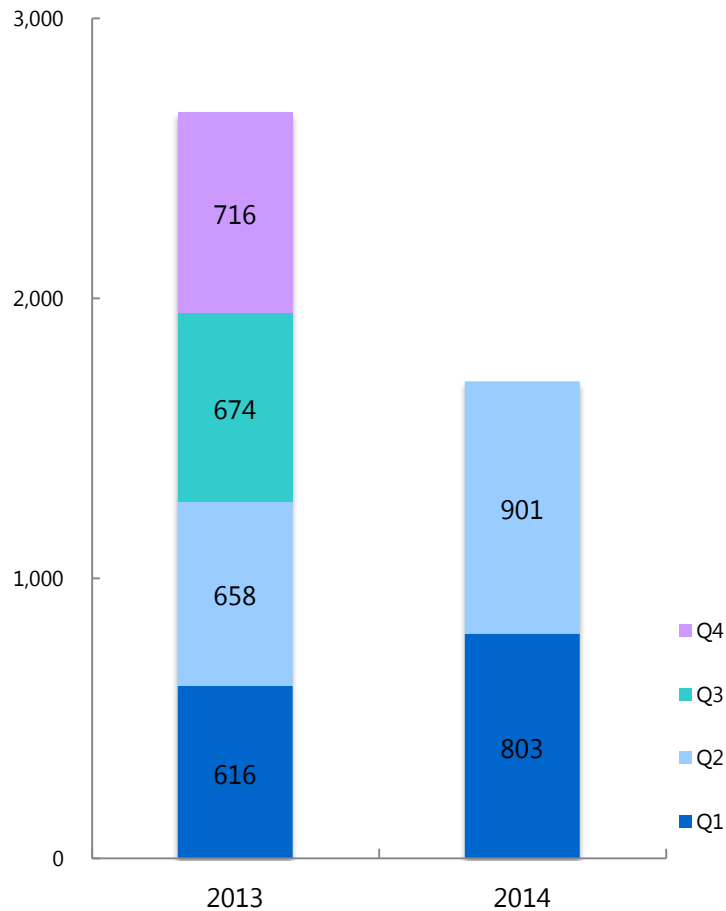
| |  |  | Total |
|------------------------------------|---|--|------------------|
| Stores | 52,000 | 17,000 | 70,000 |
| Transaction Volume (Quarterly) | JPY21.2B | JPY30.8B | JPY 52.0B |
| No. of Transactions (Quarterly) | 2.01M | 1.72M | 3.74M |

(As of June 2014)

Revenue

+36.9%
(3mths to Jun)

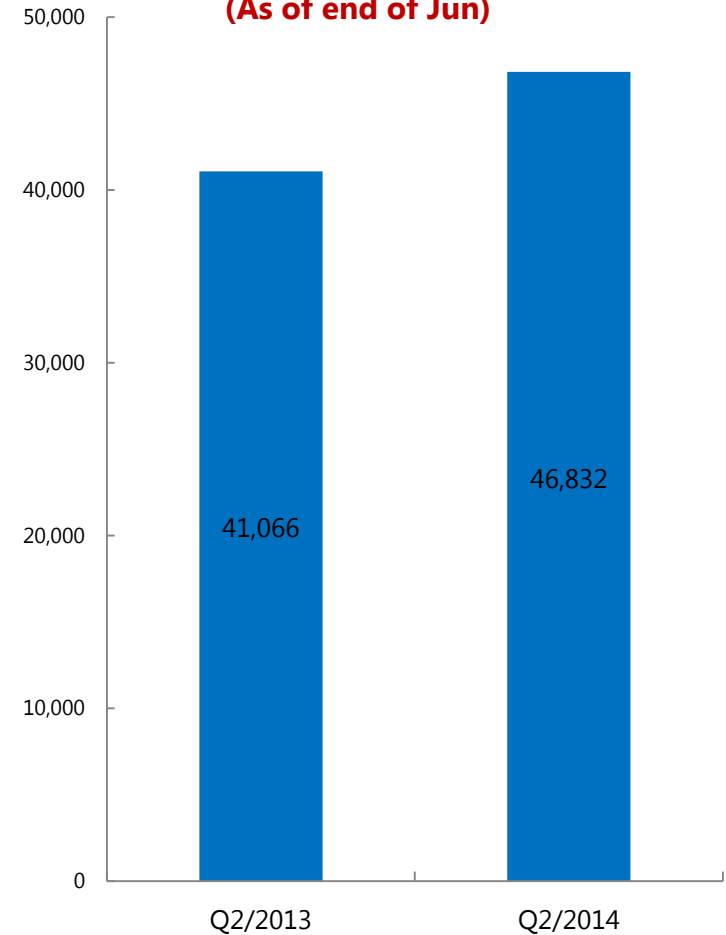
(JPY millions)



Certificates Issued

(cumulative/domestic only)

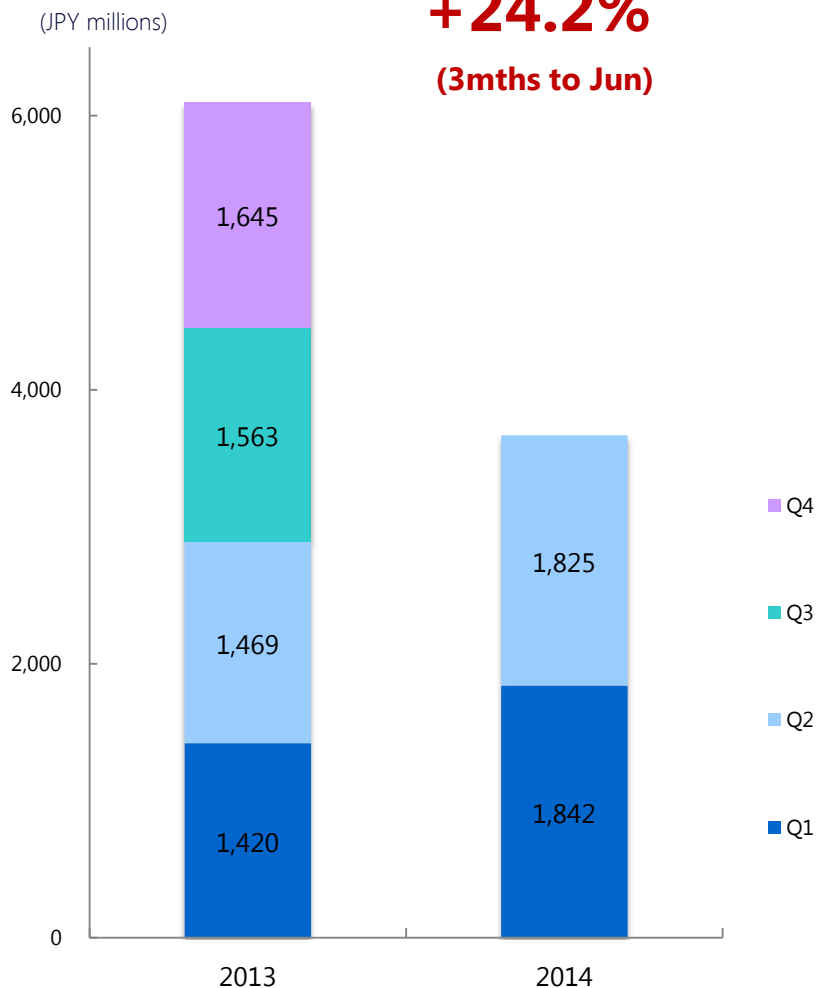
+14.0%
(As of end of Jun)



Payment Processing – Performance

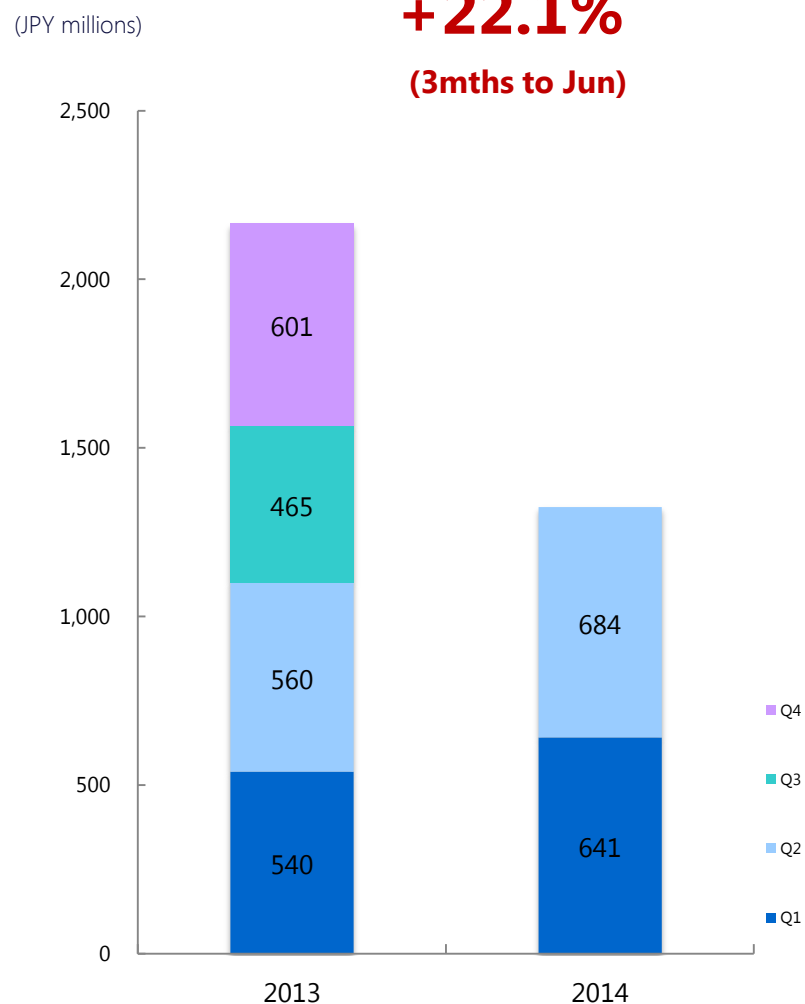
Revenue

+24.2%
(3mths to Jun)



Ordinary Profit

+22.1%
(3mths to Jun)



*Based on GMO Payment Gateway, Inc. disclosures

Payment Processing – Key Indicators

Merchants: 48,532, Transaction volume: approx. JPY370 billion, No. of Transactions: 166 million

